

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TENNESSEE
AT KNOXVILLE

SECURITIES AND EXCHANGE)	
COMMISSION,)	
)	
Plaintiff,)	NO. 3:11-cv-176
vs.)	Knoxville, TN
)	August 20, 2012
AIC, INC., ET AL,)	
)	
Defendant.)	

TRANSCRIPT OF MOTION HEARING
BEFORE THE HONORABLE H. BRUCE GUYTON
UNITED STATES MAGISTRATE JUDGE

APPEARANCES:

FOR THE PLAINTIFF: MICHAEL JOHN, RINALDI, ESQ.
U.S. Securities and Exchange
Commission
701 Market Street
Suite 2000
Philadelphia, PA 19106

FOR THE DEFENDANT: GARRETT P. SWARTWOOD, ESQ.
Long, Ragsdale & Waters, PC
1111 Northshore Drive NW
Suite S 700
Knoxville, TN 37919

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1 The above-styled cause came on for Motion
2 Hearing in the United States District Court for the
3 Eastern District of Tennessee before the Honorable
4 H. Bruce Guyton, United States Magistrate Judge,
5 when the following proceedings were had:

6 THE COURTROOM DEPUTY: The United States
7 District Court for the Eastern District of
8 Tennessee is again in session with the Honorable
9 Bruce Guyton, United States Magistrate Judge
10 presiding. Case Number 3:11-cv-176, Securities and
11 Exchange Commission versus AIC, Inc., et al. Here
12 on behalf of the Plaintiff is Michael Rinaldi. Mr.
13 Rinaldi, are you ready to proceed?

14 MR. RINALDI: Yes.

15 THE COURTROOM DEPUTY: And also present on
16 the phone is Garrett Swartwood. Mr. Swartwood, are
17 you ready to proceed?

18 MR. SWARTWOOD: Yes.

19 THE COURT: All right. Good afternoon,
20 Counsel. I appreciate you all calling in at this
21 time so that we can deal with this. It looks
22 like -- And I'm just reviewing these papers real
23 quick. I just got out of a criminal proceeding and
24 I'm just now getting to see what we have. So, we
25 have two things pending. We've got this Motion to

1 Withdraw as Counsel for Mr. Swartwood and a Motion
2 to Appear by Mr. Biss, correct?

3 MR. RINALDI: That's correct, Your Honor.

4 MR. SWARTWOOD: Yes, Your Honor.

5 THE COURT: All right. Does any -- Is
6 there any opposition to either motion?

7 MR. RINALDI: Your Honor, this is Mike
8 Rinaldi for the Securities and Exchange Commission.
9 Provided that, that Mr. Biss's Motion to Appear Pro
10 Hac Vice is granted and he appears on behalf of the
11 six relevant Defendants or these Defendants, the
12 Commission would have no objection to Mr. Swartwood
13 withdrawing from the matter.

14 THE COURT: All right. Thank you,
15 Counsel. Mr. Biss, any comment on that?

16 MR. SWARTWOOD: Mr. Biss is not here, Your
17 Honor. He's not on the, on the line. He did offer
18 to be available, but he hasn't -- the motion hasn't
19 been granted for him to appear yet, appear of
20 record. I would -- Mr. Rinaldi and I spoke about
21 this matter a few minutes before we got on the
22 phone at this time. And he had suggested Mr. Biss
23 file a Notice of Appearance after. And assuming
24 that the Motion to Appear Pro Hac Vice is granted,
25 I would -- I think I would suggest, if there is no

1 objection to it and if the Court is willing to
2 grant the motion, to do it with a single order
3 allowing me and my firm to withdraw and for
4 Mr. Biss to appear and recognizing Mr. Biss as
5 counsel for the, for the Defendants.

6 THE COURT: All right. Sounds fine.
7 We'll do --

8 MR. SWARTWOOD: I don't know if the
9 Plaintiff has any objection to that.

10 MR. RINALDI: No, not at all. If Mr., if
11 Mr. Biss appears for the six defendants in relief,
12 the Defendants at issue, then the Plaintiff has no
13 objection to Mr. Swartwood withdrawing.

14 THE COURT: All right. Okay. We'll do
15 that. And I don't know why. For some reason, I
16 had in my mind that Mr. Biss was on phone, but he
17 doesn't, he doesn't have to be. Okay. All right.
18 Anything else we can do for you today?

19 MR. SWARTWOOD: No, Your Honor.

20 THE COURT: Okay.

21 MR. RINALDI: No, Your Honor.

22 THE COURT: All right. Well, thank you
23 again and we'll get this Order filed promptly.

24 MR. SWARTWOOD: Thank you.

25 THE COURT: All right. Thank you. Madam

1 Clerk.

2 THE COURTROOM DEPUTY: This Honorable

3 Court stands in recess.

4 (End of proceedings in this matter.)

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REPORTER'S CERTIFICATE

STATE OF TENNESSEE)

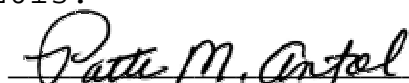
COUNTY OF KNOX)

I, Patti Antol, LCR# 174, court reporter and Notary Public, in and for the State of Tennessee, do hereby certify that the above MOTION HEARING was reported by me, transcribed by me, and that the foregoing 5 pages of the transcript is a true and accurate record to the best of my knowledge, skills, and ability.

I further certify that I am neither of kin nor of counsel to any of the parties not in anywise financially interested in the outcome of this case.

I further certify that I am duly licensed by the Tennessee Board of Court Reporting as a Licensed Court Reporter as evidenced by the LCR number and expiration date following my name below.

In WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the 13th day of April, 2013.



Patti Antol, LCR# 174

Expiration Date: 06/30/2014

Notary Public Commission Expires: 6-16-2016

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